

**City of Muskegon
Discretely Presented Component Units**

**RECONCILIATION OF TOTAL DISCRETELY PRESENTED COMPONENT UNIT FUND BALANCES
TO NET ASSETS OF DISCRETELY PRESENTED COMPONENT UNIT ACTIVITIES**

December 31, 2003

Total discretely presented component unit fund balances	\$	864,637
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Amounts reported for discretely presented component unit activities in the statement of net assets are different because:

Capital assets used in discretely presented component unit activities are not financial resources and therefore are not reported as assets in the discretely presented component unit funds.

Discretely presented component unit capital assets	\$ 4,198,258	
Less accumulated depreciation	<u>(14,387)</u>	4,183,871

Other assets used in discretely presented component unit activities are not financial resources and therefore are not reported in the discretely presented component unit funds.

Bond issuance costs		135,793
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the discretely presented component unit funds.

Bonds payable	(9,395,000)	
Bond discount	8,597	
Accrued interest on the bonds	<u>(48,400)</u>	<u>(9,434,803)</u>

Net assets of discretely presented component unit activities	\$	<u><u>(4,250,502)</u></u>
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The accompanying notes are an integral part of this statement.